

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

IN RE: WARNER MUSIC GROUP CORP.
DIGITAL DOWNLOADS LITIGATION

CASE NO. CV 12-0559-RS

**[PROPOSED] ORDER AS MODIFIED BY
THE COURT GRANTING PLAINTIFFS'
MOTION FOR ATTORNEY FEES,
LITIGATION COSTS, AND INCENTIVE
AWARDS**

1 The Court, having reviewed Plaintiffs Kathy Sledge Lightfoot, Ronee Blakley, and Gary
 2 Wright's (collectively, "Plaintiffs") Motion for Attorneys' Fees, Litigation Costs, and Incentive
 3 Awards, the pleadings and other papers on file in this action, and the statements of counsel and the
 4 parties, hereby finds that Plaintiffs' motion should be GRANTED.

5 NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

6 1. For purposes of this Order, except as otherwise set forth herein, the Court adopts
 7 and incorporates the definitions contained in the Stipulation and Agreement of Settlement (Dkt.
 8 No. 96-1, Ex. A) ("Settlement Agreement").

9 2. The Court finds that Plaintiffs' requested fee award of \$2,875,000 is fair and
 10 reasonable in light of the results obtained by Plaintiffs' counsel in this case; the risks and complex
 11 issues involved, and the skill and high-quality work required to overcome them; the burdens borne
 12 by counsel in pursuing this litigation on a pure contingency basis; and the range of awards made in
 13 similar cases. The Court finds that the requested fee award, which represents the Ninth Circuit's
 14 benchmark of 25% of the Fund created by the Settlement Agreement, comports with the
 15 applicable law and is justified by the circumstances of this case.

16 3. The Court has confirmed the reasonableness of Plaintiffs' fee request by
 17 conducting a lodestar cross-check. The Court finds that Plaintiffs' counsel's reasonable lodestar
 18 as of December 31, 2014, the date they filed their Supplemental Declaration in Support of
 19 Plaintiffs' Motion for Attorney Fees, Litigation Costs, and Incentive Awards was \$1,995,780.50
 20 based on their historical hourly rates, and \$2,063,274.00 based on their current hourly rates.
 21 Accordingly, Plaintiffs' requested fee award represents a multiplier of 1.44 based on counsel's
 22 historical hourly rates and 1.39 based on their current hourly rates. This multiplier is within the
 23 range of multipliers awarded in similar complex class action cases and is well-justified here, given
 24 the novelty and difficulty of this litigation, counsel's skillful handling of the difficult factual and
 25 legal issues presented, the significant contingent risks in this case, and the quality of the result
 26 achieved.

27 4. The Court finds that Plaintiffs' counsel incurred a total of \$97,429.54 in litigation
 28 costs and expenses in prosecuting this litigation as of December 31, 2014. The Court finds that

1 these costs and expenses were reasonably incurred in the ordinary course of prosecuting this case
 2 and were necessary given the complex nature and nationwide scope of the case. Accordingly, the
 3 Court approves a payment to Plaintiffs' counsel in the amount of their total costs and expenses
 4 incurred to reimburse them for such costs and expenses.

5 5. Finally, the Court approves an incentive award of \$10,000 each to current class
 6 representatives Kathy Sledge Lightfoot, Ronee Blakley, and Gary Wright, and to former class
 7 representatives Debra Sledge, Joan Sledge, and Kim Sledge Allen. In *Radcliffe v. Experion*
 8 *Information Solutions*, 715 F.3d 1157 (9th Cir. 2013), the Ninth Circuit instructed that making
 9 incentive awards, while permissible when not conditioned on class representatives' support for the
 10 settlement, "should not become routine practice." They must be "scrutinize[d]" carefully, so that
 11 they "do not undermine the adequacy of the class representatives." 715 F. 3d at 1160. Plaintiffs'
 12 application for incentive awards was carefully considered in light of these principles, and deemed
 13 reasonable and justified given: (1) the risks—reputational, financial, and otherwise—faced by the
 14 class representatives in bringing this lawsuit; and (2) the work performed and the active
 15 participation in the litigation and settlement processes by the class representatives on behalf of
 16 members of the class.

17 6. The attorneys' fees, costs, and incentive awards set forth in this Order shall be paid
 18 by Defendant Warner Music Group Corp. in accordance with the terms of the Settlement
 19 Agreement.

20
21 IT IS SO ORDERED.

22
 23 DATED: January 12, 2015



24
 25 Honorable Richard Seeborg
 26 United States District Judge

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